

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

October 28, 2014

WELL WORK PERMIT

Secondary Recovery Well

This permit, API Well Number: 47-3305848, issued to HG ENERGY, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days completion of permitted well work, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

lames Martin

Chief

Operator's Well No: ELIZABETH FLETCHER 20

Farm Name: ROACH, M. & FLETCHER, F. ET /

API Well Number: 47-3305848

Permit Type: Secondary Recovery Well

Date Issued: 10/28/2014

Promoting a healthy environment.

PERMIT CONDITIONS

West Virginia Code §22-6-11 allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

- 1. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code §22-6-20, which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
- 2. Pursuant to 35 CSR 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
- 3. Pursuant to 35 CSR 4-19.1.c, if the operator is unable to sample and analyze any water well or spring with one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
- 4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 5. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
- 6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours
- 7. Well work activities shall not constitute a hazard to the safety of persons.
- 8. Operator shall provide the Office of Oil & Gas notification of the date that drilling commenced on this well. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov within 30 days of commencement of drilling.

FORM WW-3 (B) 1/12



1) Date:		91	123/2014	•		
2) Operator's Wel	l No.	Eliz	abeth Fletch	ner 20)	
3) API Well No.:	47	-			s	
	State		County	_		Permit
4) UIC Permit No.	LUC	מבחם	01 A D			

STATE OF WEST VIRGINIA NOTICE OF LIQUID INJECTION OR WASTE DISPOSAL WELL WORK PERMIT APPLICATION FOR THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

FOR TH	E DEPA	RTMEN	T OF E	NVIRO	NMENTA	L PROTECT	ION, OF	FICE OF C	OIL AND GAS
5) WELL TYPE: 6) LOCATION:	Liqu Elevati	id Injection: 12	on	/	Gas Injec Wa	ction (not stora	ge) en Mile Cre]_ / W	Vaste Disposal
C) HIEVY ORED	District		10000	9	Co	unty Harris			igle Wolf Summit 7.5' 69'
7) WELL OPER						8) DESIGNA			
Ad		260 Dupo		9/80			Addres		upont Road
			g, WV 261						sburg, WV 26101
9) OIL & GAS II		R TO BE	ENOTIFI	ED		10) DRILLIN			
Name Sam							Be Determi	ned Upon App	proval of Permit
	Box 2327					Address			
Buckh	annon, WV	26201							
11) PROPOSED	WELL W	ORK	Drill _ Plug off Other r		nation [decper Perfo	_ / Rec rate new fo	drill	/ Stimulate Convert
12) GEOLOGIC	TARGET	FORMA				Depth	2820	Feet (top) to 2837 Feet (bottom)
13) Estimated De	pth of Cor	mpleted V	Vell. (or a	actual de	enth of exis	ting well):	950	Feet	100 (0000011)
14) Approximate					70	Feet	Salt	1320	Feet
15) Approximate			510				-		
16) Is coal being					No				
17) Virgin reserve				on 12	250 psig	z Source	Estimate	d	
18) Estimated res					Parg	5 Source	Loundto	265	50 psig (BHFP)
19) MAXIMUM				PERAT	TONS: V	olume per hou	r 25 BBI		nole pressure 2400 psi
20) DETAILED I									
water, bactericio	les and oth	er chemica	als as need	ied to ma	intain water	quality and impro	ve oil recove	NDDIII VI	Tresh water, produced
21) FILTERS (IF						quality and impro	10 011 100010	9	
22) SPECIFICAT						OTHER COR	OSION C	ONTROL	
, 0. 20	1011010	0	ODICII	.o.z.c.	101171110	OTTER COR	1051011	ONTROL	-
23) CASING AND	TUBING I	PROGRAM	М						
CASING OR	T	91/25	ECIFICATI	ONE		FOOTAGE N	TEDMATO	CEL CELE	D. GVEDO
TUBING TYPE	Size	Grade	Weight	New	Used	FOOTAGE IN For Drilling	Left In	CEMENT FILL -UP	PACKERS
	J.Z.	Grade	per ft.	I TOW	Osca	To Dining	Well	OR SACKS (CU. FT.)	
Conductor									Kinds
resh Water	7"	LS	17#	X		585'	585'	CTS	
Coal									Sizes
ntermediate									2.375" x 4.5"
Production	4 1/2"	J-55	10.5#	X		2950'	2950'	150 sks	Depths set
Tubing	2 3/8"	J-55	4.6#	×		2750'	2750'		2650'
iners									Perforations
									Top Bottom
									10p Bottom
4) APPLICANT	'S OPER	TING R	IGHTS w	vere aco	uired from	Elizabeth Fl	etcher et al		
by deed		ase X		other co			12/31/1898	1	of record in the
Harrison R			ounty Cle			/ dated	12/01/1030		
			me	3 011					105 Page 138
Office o) Oli C	HILL OF	540						

OCT 2 8 2014

FORM WW-3 (A) 1/12



1) Date:	Septe	mber 24,	2014			
2) Operator	's Well	No.	Eliz	abeth Flet	cher 20	
3) API Wel	l No.:	47		033	-	
		State		County		Permit
4) UIC Pern	nit No	LIIC	2503	RO1AP		

STATE OF WEST VIRGINIA NOTICE OF LIQUID INJECTION OF WASTE DISPOSAL WELL WORK PERMIT APPLICATION FOR THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS,

	mer(S) To Be Served Michael Roach	7) (a) Coal Op	perator	
(a) Name Address	1530 Marshville Road	Name		
Address	TODAY MANAGEMENTAN PRODUCTION OF THE CONTROL	Address	3	
4221	Salem, WV 26426		WILL DO LOOP	
(b) Name	Frederick Fletcher	0 0503 5	wner(S) With Declaration Of Record	
Address	5777 SR 21	Name		
	Naples, NY 14521	Address	3	
(c) Name		Name	9	_
Address		Address	8	
6) Inspector		7) (c) Conl.Lac	ssee with Declaration Of Record	
Address		Name	Marray Coal	
Addiess	130	Address	46226 National Road	
Telephone	2.	Address	St Clairsville, OH 43950	
rerephone			St Clairsville, OH 43930	
(3) The Cons plan for er	surveyor's map) showing the well truction and Reclamation Plan on rosion and sediment control and for proposed for the first injection	Form WW-9 (unless the reclamation for the site	well work is only to plug a well), which sets out the and access road.	ie
APPLICATION	N WHICH ARE SUMMARIZED ATION [(FORM WW-3(B)] DESI	IN THE "INSTRUCTIO	THAT YOU HAVE RIGHTS REGARDING TO DNS" ON THE REVERSE SIDE OF THE COPY HOWEVER YOU ARE NOT REQUIRED TO TAKE	OF
	t under Chapter 22-6 of the West '		rsigned well operator proposes to file or has filed th	
West Virginia Application and and Reclamatio	Department of Environmental Pr d depicted on the attached Form W	otection, with respect to VW-6. Copies of this Notered or certified mail or	to a well at the location described on the attache lotice, the Application, the plat, and the Construction of delivered by hand to the person(s) named above (o	s, ed on

"I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Address	tor HG Energy, ELC 5260 Dupont Road
Offic	e of Parkersburg, WV26101
Ву:	Diane White
Its:	OCT Agent 2014
Signatuté\/	Deparage White

U.S. Postal Service TM CERTIFIED MAIL, RECEIPT (Domestic Mail Only; No Insurance Coverage Provided) 7 十月 20 1.61 \$ =0 Postage J Certified Fee 3.30 Postmark П D Return Receipt Fee (Endorsement Required) Here 2-70 Restricted Delivery Fee (Endorsement Required) 19hE 7.6 Total Postage & Fees \$ EF20 ги Murray Coal Street, Apt. No.: 46226 National Road or PO Box No. City, State, ZIP+4 St. Clairsville OH 43950 PS Form 3800, August 2006 U.S. Postal Service ... CERTIFIED MAIL. RECEIPT (Domestic Mail Only; No Insurance Coverage Provided) m For delivery information visit our website ... 20 1.61 P 9 Postage Certified Fee 3.30 П Postmark Here Return Receipt Fee (Endorsement Required) 9 2.70 Restricted Delivery Fee (Endorsement Required) 19hE Total Postage & Fees \$ 7.61 E FZO Sent To Michael Roach Street, Apt. No.; or PO Box No. 1530 Marshville Rd City, State, ZIP+4 Salem INV 26426 See Reverse for Instructions U.S. Postal Service ... CERTIFIED MAIL RECEIPT ш (Domestic Mail Only; No Insurance Coverage Provided) П П П 라 5 1.61 Postage m Certified Fee Postmark Here 3.30 П Return Receipt Fee (Endorsement Required) 2.70 Restricted Delivery Fee (Endorsement Required) RECEIVED 1090 Office of Oil and Gas Total Postage & Fees \$ 7.61 EF 20 Sent To m Fletcher Frederick Street, Apt. No.; or PO Box No. 5R 21 5777 WV Department of City, State, ZIP+4 1451Znvironm Naples NY See Reverse for Instructions tal Protection

WW-2B1 (5-12) Well No. Elizabeth Fletcher 20

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

Be advised, you have the right to sample and analyze any water supply at your own expense.

Listed below is the laboratory chosen by operator to perform analysis, and contactor chosen to collect sample.

Certified Laboratory Name
Sampling Contractor
Sturm Environmental Laboratory
Sturm Environmental Laboratory

Well Operator HG Energy, LLC
Address 5260 Dupont Road

Parkersburg, WV 26101

Telephone 304-420-1119

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

Michael Roach 1530 Marshville Road Salem WV 26426 (2 Sources)

WILL TEST AT LEAST ONE OF ABOVE BEFORE SPUDDING WELL. 9NVM 10/27/14 Frederick Fletcher
5777 5R 21
Naples NY 14512 RECEIVED
(1 5 ource) Office of Oil and Gas

OCT 0 2 2014

WV Department of Environmental Protection WW-9 Rev. 5/10

	Page	138	of	
API Number 47 -	. 033			
Operator's Well N	o. Eliza	beth Fletc	her 20	

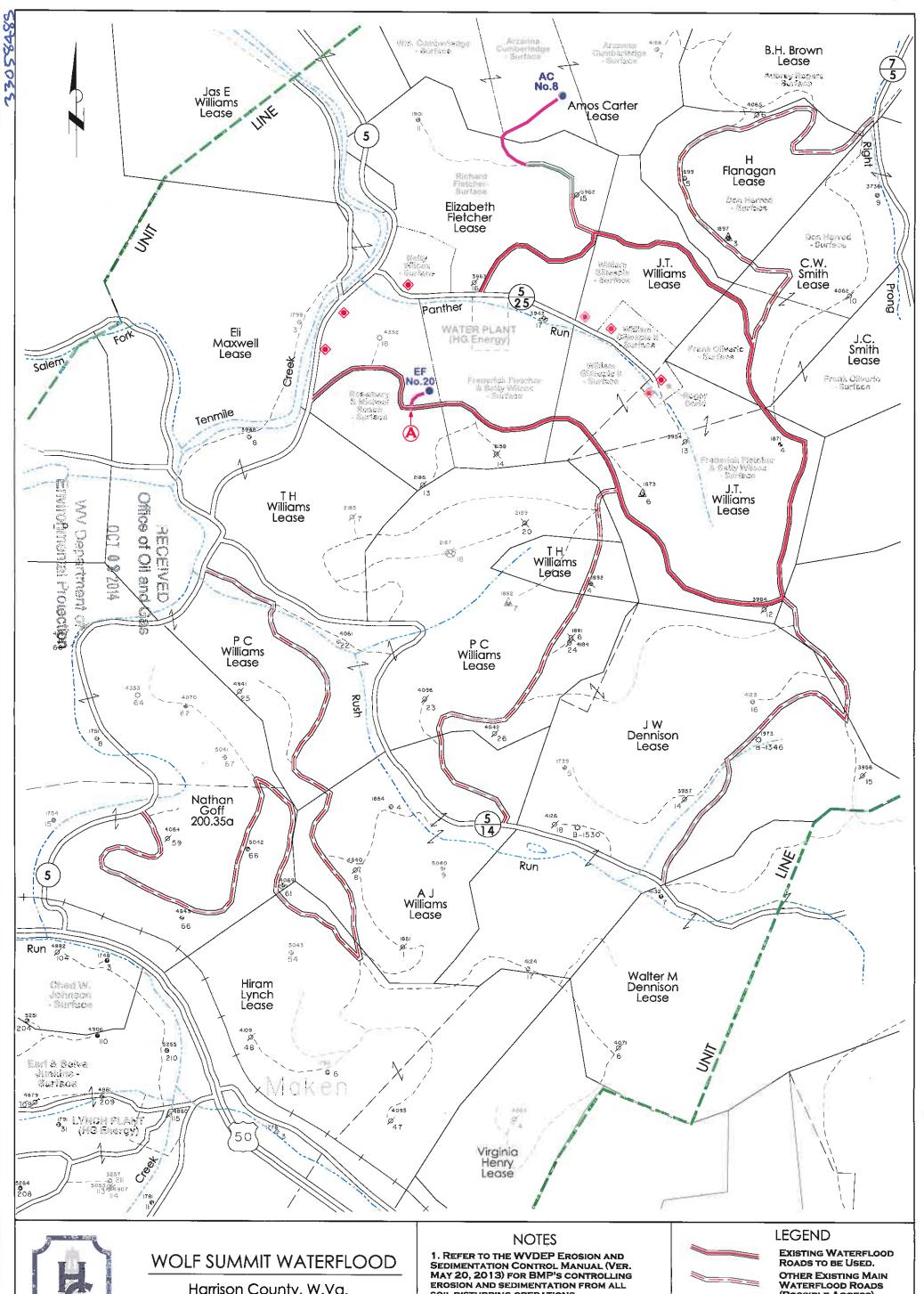
STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM

GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE
Operator Name HG Energy, LLC OP Code 494497948
Watershed Ten Mile Creek Quadrangle Wolf Summit 7.5'
Elevation 1220' County Harrison District Ten Mile
Description of anticipated Pit Waste: Fluids encountered while drilling subject well
Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes No _X
Will a graph stir lines have a line to the control of the control
Proposed Disposal Method For Treated Pit Wastes:
Land Application 10/1/2014
Underground Injection (UIC Permit Number
Reuse (at API Number Off Site Disposal (Supply form WW-9 for disposal location)
Other (Explain
Drilling medium anticipated for this well? Air, freshwater, oil based, etc. Air, Fresh Water -If oil based, what type? Synthetic, petroleum, etc Additives to be used? Water, Soap, KCl Will closed loop system be used? No Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. Leave in pit -If left in pit and plan to solidify what medium will be used? Cement, lime, sawdust Native soil, cement, lime -Landfill or offsite name/permit number?
I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment. Company Official Signature Diane White
Company Official Title Agent
RECEIVED
Subscribed and sworn before me this 24th day of September 20 14
My commission expires NOV. 12 2018 OFFICIAL SEAL NOTARY PUBLIC

Operator's Well No. Elizabeth Fletcher 20

Property Boundary	
	Diversion (1:11111111111111111111111111111111111
Road = = = = = = = = = = = = = = = = = = =	Spring -
Existing Fence — X — X — X —	Wet Spot
Planned Fence / / /	Drain Pipe with size in inches (2)
Stream	Waterway C+ C+ C+ C+
Open Ditch	Cross Drain 7/1/1/1/1/1/1/1/
Rock FSESSE	Artificial Filter Strip
North N	Pit: cut walls
Buildings	Pit: compacted fill walls
Water wells	Area for Land Application of Pit Waste
Drill site	
Proposed Revegetation Treatment: Acres Disturbed 2.0 a	Prevegetation pH
2	CE
Tons acre of to correct to pir	
Fertilizer (10-20-20 or equivalent)	cre (500 lbs minimum)
Mulch Straw 2 Tons/acr	re .
Totts/act	
Seed I	Mixtures
Area I	Area II
/ Hour	
Seed Type lbs/acre	Seed Type lbs/acre
	Seed Type lbs/acre Tall Fescue 40
Seed Type Ibs/acre Tall Fescue 40	Tall Fescue 40
Seed Type lbs/acre	
Seed Type Ibs/acre Tall Fescue 40	Tall Fescue 40
Seed Type Ibs/acre Tall Fescue 40	Tall Fescue 40
Seed Type Ibs/acre Tall Fescue 40	Tall Fescue 40
Tall Fescue 40 Ladino Clover 5	Tall Fescue 40 Ladino Clover 5
Tall Fescue 40 Ladino Clover 5	Tall Fescue 40 Ladino Clover 5
Tall Fescue 40 Ladino Clover 5	Tall Fescue 40 Ladino Clover 5
Seed Type Ibs/acre Tall Fescue 40 Ladino Clover 5 Attach: Drawing(s) of road, location,pit and proposed area for land applic	Tall Fescue 40 Ladino Clover 5
Tall Fescue 40 Ladino Clover 5 Attach: Drawing(s) of road, location,pit and proposed area for land applic	Tall Fescue 40 Ladino Clover 5
Seed Type Ibs/acre Tall Fescue 40 Ladino Clover 5 Attach: Drawing(s) of road, location,pit and proposed area for land applic	Tall Fescue 40 Ladino Clover 5
Attach: Drawing(s) of road, location,pit and proposed area for land applic Photocopied section of involved 7.5' topographic sheet. Plan Approved by: Dwartt Dwa	Tall Fescue 40 Ladino Clover 5 sation.
Tall Fescue Tall Fescue 40 Ladino Clover 5 Attach: Drawing(s) of road, location, pit and proposed area for land applice Photocopied section of involved 7.5' topographic sheet. Plan Approved by: Plan Approved by: 1 DWardtt Comments: Pre-Seed/mulch all disfurbed are regulation. Upgrade EdS as necessions.	Tall Fescue Ladino Clover 5 sation. Sation.
Tall Fescue Tall Fescue Ladino Clover 5 Attach: Drawing(s) of road, location,pit and proposed area for land applic Photocopied section of involved 7.5' topographic sheet. Plan Approved by: Plan Approved by: DWarstt	Tall Fescue Ladino Clover 5 sation. Sation. Sation. Sation. Sation. BECEIVED RECEIVED Receive per per per per per per per per per pe
Tall Fescue Tall Fescue Ladino Clover 5 Attach: Drawing(s) of road, location, pit and proposed area for land applic Photocopied section of involved 7.5' topographic sheet. Plan Approved by: Plan Approved by: Dwartt Comments: Pre-Saed/mukch all disfurbed are regulation. Upg rade EtS as necess Title Oil + Gas Inspector	Tall Fescue Ladino Clover 5 sation. Security For Eds regulation OCT 0 2 2014





Harrison County, W.Va.

RECLAMATION PLAN SHOWING ROAD SYSTEMS TO BE USED FOR 2014 **DRILLING PROGRAM**

Elizabeth Fletcher No.20

- SOIL-DISTURBING OPERATIONS.
- 2. SEE PAGE ONE OF RECLAMATION PLAN FOR DETAILS OF NEW ROAD CONSTRUCTION AND ROAD UPGRADES FROM POINT A TO DRILL SITE LOCATION.
- 3. EXISTING WATERFLOOD ACCESS ROADS WILL BE MAINTAINED IN PRESENT CONDITION. THESE ROADS WERE CONSTRUCTED UNDER CONDITIONS SET FORTH IN VARIOUS DRILLING PERMITS ISSUED BY WVDEP-OOG FROM 2003 - 2009 (As Shown). SEE PERMITS ON FILE FOR MORE DETAIL.

(Possible Access). EXISTING LEASE OR

FARM ROADS TO BE UPGRADED.

NEW ROADS TO BE CONSTRUCTED.

No.20

LOCATION FOR PROPOSED WELLS

POTENTIAL WATER SUPPLY SOURCE TO BE SAMPLED

SEPTEMBER 22, 2014

PAGE 2

Reclamation Plan For: Elizabeth Fletcher No.20



NOTE REFER TO THE WVDEP EROSION AND SEDIMENT CONTROL FIELD MANUAL VER, MAY 2012 FOR BMPS CONTROLLING EROSION AND SEDIMENT FROM SOIL-DISTURBING OPERATIONS.

Elizabeth Fletcher Lease

Rosemary & Michael Roach - Surface Owners

Existing Vegetative Filter Strip Frederick Fletcher & Betty Wilcox - Surface Owners

Fill Area

E.F.
20

Cut Area

Access

Road Serves as Diversion

0.25 Mi. to 5L5 5

To E. Fletcher No.18

Begin New Road

Road

2.0 Mi. to

(See Attached Detail for Access Road to County Road)

Notes:

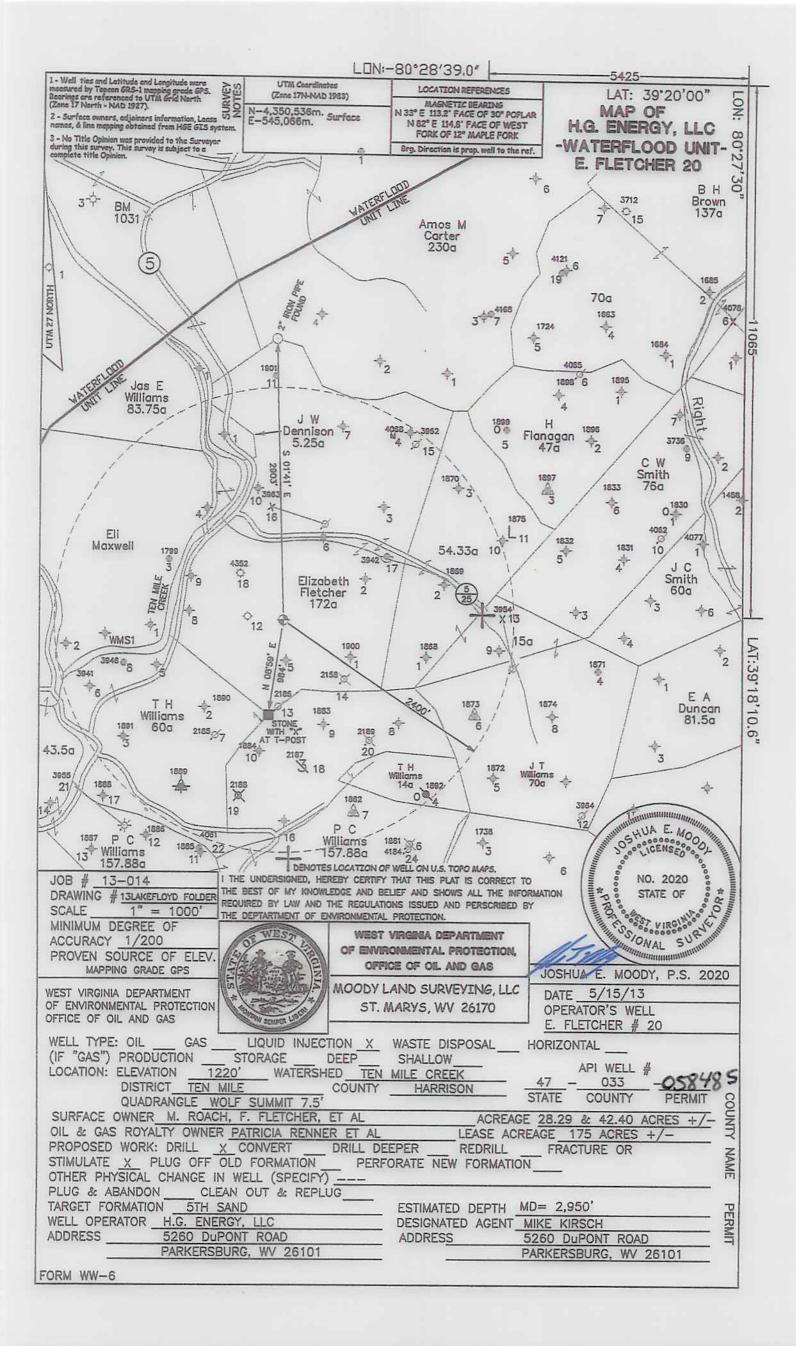
- REQUESTED PERMIT IS FOR DRILLING OF NEW WELL.
- ACCESS ROAD FROM CO. RD. 5/25 TO PT. A IS EXISTING.
 ROAD WILL BE UPGRADED TO WVDEP STANDARDS AND STRUCTURES INSTALLED AS SHOWN.
- ALL DISTURBED AREAS WILL BE RE-VEGETATED AS OUTLINED ON FORM WW-9.
- MAINTAIN SEDIMENT BARRIERS AND DRAINAGE STRUCTURES.
- ALL ROAD GRADES <5% EXCEPT AS NOTED.
- LOCATION OF DRILL PIT MAY BE CHANGED BASED ON AS-BUILT CONSIDERATIONS.
- DRAWING NOT TO SCALE.

Office of Oil and Gas

WV Department of Environmental Protection

Page 1







HG Energy, LLC

5260 Dupont Road Parkersburg, WV 26101 (304) 420-1100 - Office (304) 863-3172 - Fax



September 24, 2014

Mr. Jeff McLaughlin WVDEP Division of Oil & Gas 601 57th Street Charleston, West Virginia 25304

RE:

Elizabeth Fletcher No. 20

Ten Mile District, Harrison County

West Virginia

Dear Mr. McLaughlin:

Enclosed are Forms WW-3A, WW-3B, WW-9, WW-3(B1), mylar of plat, reclamation plan, topo map and copies of the certified mailing receipts for a permit to drill a production well. Also enclosed is our check in the amount of \$650.00 to cover the associated permit fees.

Very truly yours,

Diane White

Diane C. White

Enclosures

cc:

Frederick Fletcher - Certified Michael Roach - Certified Murray Coal - Certified Sam Ward - Inspector

> RECEIVED Office of Oil and Gas

> > OCT 02 2014

WV Department of Environmental Protection